

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 15851
[Redacted] Petitioners.)	
)	DECISION
)	
_____)	

On May 6, 2002, the Tax Discovery Bureau (TDB) of the Idaho State Tax Commission (Commission) issued a Notice of Deficiency Determination (NOD) to [Redacted] (taxpayers), proposing income tax, penalty and interest for the year 1997 in the total amount of \$2,153.

A timely protest and petition for redetermination was filed by the taxpayers on July 8, 2002. An informal hearing has not been requested by the taxpayers. The Commission has reviewed the file, is advised of its contents, and hereby issues its decision modifying the NOD.

The taxpayers failed to file their 1997 return. [Redacted] The taxpayers sent a protest letter that asserts the NOD is missing income tax withholding and that they wish to claim itemized deductions. [Redacted] The Tax Enforcement Specialist sent the taxpayer two letters requesting supporting documentation but did not receive any correspondence from the taxpayers. The taxpayers' file was then transferred to the Commission's legal/policy division.

On November 20, 2002, the Tax Policy Specialist (policy specialist) sent the taxpayers a hearing rights letter to inform them of their alternatives for redetermining the protested NOD. A follow-up letter to the hearing rights letter was sent to the taxpayers on January 2, 2003. The taxpayers did not respond to either letter.

The policy specialist requested and received [Redacted] 1997 W-2 Wage and Tax Statement from his employer. [Redacted] W-2 for 1997 was used to modify the Commission's provisional return for that year.

Idaho Code § 63-3002 stated in pertinent part:

It is the intent of the legislature by the adoption of this act, insofar as possible to make the provisions of the Idaho act identical to the provisions of the Federal Internal Revenue Code relating to the measurement of taxable income, to the end that taxable income reported each taxable year by a taxpayer to the internal revenue service shall be the identical sum reported to this state, subject only to modifications contained in the Idaho law; . . .

The taxpayers have not provided the Commission with a contrary result to the determination of their income for the tax year 1997 based on W-2 income information received from the IRS. Therefore, the Commission must uphold the deficiency as modified.

WHEREFORE, the Notice of Deficiency Determination dated June 14, 2001, as MODIFIED, is hereby APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayers pay the following tax, penalty and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
1997	\$243	\$61	\$90	<u>\$394</u>

Interest is computed through April 15, 2003.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of the taxpayers' right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2003.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this ____ day of _____, 2003, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[Redacted]

[Redacted]_____